



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Robert L. Morgan  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
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Salt Lake City, Utah 84114-5801  
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www.nr.utah.gov

October 22, 2002

Greg Hawkins, Vice President  
Brush Resources Inc.  
P.O. Box 815  
Delta, Utah 84624

Re: Approval of Replacement Reclamation Surety Proposal, Brush Resources Inc., Topaz Valley Mine, M/023/003, Juab County, Utah

Dear Mr. Hawkins:

On October 16, 2002, we received your letter in follow-up to the agreement reached during our October 7, 2002, meeting in the Division's Salt Lake City Offices. The meeting was held to discuss alternative reclamation bonding options as a result of the Division's receipt of a 90-day cancellation notice from your surety bonding company, CNA. It was agreed at the meeting that Brush Resources Inc. ("Brush") would prepare a letter advising the Division of its intention to temporarily suspend future mining expansion into the previously approved Rainbow 2 and the Section 16 S#1 permit areas, through 2003. Brush also agreed to obtain a new form of reclamation surety (Irrevocable Letter of Credit) to replace the current surety bond in the amount previously approved by the Division (\$311,300). The new surety would be submitted to the Division no later than the end of October 2002.

The Division *hereby grants its approval of Brush Resources proposal for a replacement reclamation surety and its plans to suspend mining expansion activities as described above for the Topaz Valley mining project.* We look forward to the receipt of the \$311,300 replacement surety documents and will notify you accordingly of our acceptance and final approval.

We thank you for your cooperation and willingness to work out an acceptable solution to this reclamation surety concern. Please call me, or Tom Munson at (801) 538-5286 and 538-5321, respectively, if you have any questions in this regard.

Sincerely,

D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb

cc: Mary Ann Wright, DOGM  
Tom Munson, DOGM

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## FACSIMILE COVER SHEET

DATE: Oct 22, 2002

NUMBER OF PAGES INCLUDING THIS COVER SHEET: 2

TO: Greg Hawkins  
Brush Resources  
PO Box 815  
Delta UT 84624

FAX NUMBER: 1-435-864-<sup>4004</sup>~~2701~~

FROM: D Wayne Hedberg

Minerals Reclamation and Development Program

PHONE: (801) 538-5291

FAX: (801) 359-3940

SUBJECT: Approval of Replacement Surety Letter -  
Togay mine - m/023/003

REMARKS: original letter will be put in  
regular mail.

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P. 01

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